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UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF EXPORT ADMINISTRATION
WASHINGTON, D.C. 20230

In the Matter of:)	
)	
WORCHEL TRANSPORT, INC.,)	OO-BXA-05
d/b/a PRIME TRANSPORT,)	
)	
Respondent)	

ORDER

The Office of Export Enforcement, Bureau of Export Administration, United States Department of Commerce (“BXA”), having initiated an administrative proceeding against Worchel Transport, Inc., doing business as Prime Transport (“Prime”), pursuant to Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 2000)) (the “Act”),’ and the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2000)) (the “Regulations”),² based on allegations that on eight separate occasions between on or about April 13, 1995, and on or about September 25, 1996, Prime

¹ The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), which has been extended by successive Presidential Notices, the most recent being that of August 3, 2000 (65 *Fed. Reg.* 48347, August 8, 2000), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & Supp. 2000)).

² The violations at issue occurred in 1995 and 1996. The Regulations governing the violations at issue are found in the 1995 and 1996 versions of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995) and 15 C.F.R. Parts 768-799 (1996), as amended (61 *Fed. Reg.* 12714, March 25, 1996)) (hereinafter the “former Regulations ”). The March 25, 1996 *Federal Register* publication redesignated, but did not republish, the then-existing Regulations as 15 C.F.R. Parts 768A-799A. In addition, the March 25, 1996 *Federal Register* publication restructured and reorganized the Regulations, designating them as an interim rule at 15 C.F.R. Parts 730-774, effective April 24, 1996. The former Regulations define the various violations that BXA alleges occurred; the Regulations establish the procedures that apply to this matter.

shipped U.S.-origin commodities, *to wit*, perfume, clothing and silicone sealant, to Cosmostrans AG, a person denied all U.S. export privileges by Order dated May 3, 1988, thereby committing five violations of Section 787.6 of the former Regulations and three violations of section 787A.6 of the former Regulations, for a total of eight violations, and;

BXA and Prime having entered into a Settlement Agreement pursuant to Section 766.18(b), of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and the terms of the Settlement Agreement having been approved by me;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$40,000 is assessed against Prime, \$33,000 of which shall be paid to the U.S. Department of Commerce within thirty days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions. Payment of the remaining \$7,000 shall be suspended for one year from the date of entry of this Order and shall thereafter be waived, provided that, during the period of suspension, Prime has committed no violation of the Act, or any regulation, license or order issued thereunder; and provided further that Prime has made timely payment of \$33,000 of the civil penalty.


SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.A. §§3701-3720E (1983 and Supp. 2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due date specified herein, Prime will be assessed, in addition to interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that, as authorized by Section 11(d) of the Act, the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, License Exception, permission, or privilege granted, or to be granted, to Prime. Accordingly, if Prime should fail to pay the civil penalty in a timely manner, the undersigned will enter an Order under the authority of Section 11 (d) of the Act denying all of Prime's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that a copy of this Order shall be delivered to the United States Coast Guard ALJ Docketing Center, 40 Gay Street, Baltimore, Maryland 21202-4022, notifying that office that this case is withdrawn from adjudication, as provided by Section 766.18 of the Regulations.

FIFTH, that the Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order is effective immediately.


F. Amanda DeBusk
Assistant Secretary
for Export Enforcement

Entered this, 23rd day, 2000. 21

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF EXPORT ADMINISTRATION
WASHINGTON, D.C. 20230

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In the Matter of:)	
)	
WORCHEL TRANSPORT, INC.,)	OO-BXA-05
d/b/a PRIME TRANSPORT,)	
)	
_____)	
Respondent)	

SETTLEMENT AGREEMENT

This Agreement is made by and between Worchel Transport, Inc., doing business as Prime Transport (“Prime”) and the Bureau of Export Administration, United States Department of Commerce, pursuant to Section 766.18(b) of the Export Administration Regulations (15 C.F.R. Parts 730-774 (2000)) (the “Regulations”),’ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 2000)) (the “Act”).²

WHEREAS, the Office of Export Enforcement, Bureau of Export Administration (“BXA”), has initiated an administrative proceeding against Prime pursuant to the Act and the

¹ The violations at issue occurred in 1995 and 1996. The Regulations governing the violations at issue are found in the 1995 and 1996 versions of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995) and 15 C.F.R. Parts 768-799 (1996), as amended (61 *Fed. Reg.* 12714, March 25, 1996)) (hereinafter the “former Regulations”). The March 25, 1996 *Federal Register* publication redesignated, but did not republish, the then-existing Regulations as 15 C.F.R. Parts 768A-799A. In addition, the March 25, 1996 *Federal Register* publication restructured and reorganized the Regulations, designating them as an interim rule at 15 C.F.R. Parts 730-774, effective April 24, 1996. The former Regulations define the various violations that BXA alleges occurred; the Regulations establish the procedures that apply to this matter.

² The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 9 17 (1995)), which has been extended by successive Presidential Notices, the most recent being that of August 3, 2000 (65 *Fed. Reg.* 48347, August 8, 2000), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & supp. 2000)).

Regulations, based on allegations that on eight separate occasions between on or about April 13, 1995, and on or about September 25, 1996, Prime shipped U.S.-origin commodities, *to wit*, perfume, clothing and silicone sealant, to Cosmostrans AG, a person denied all U.S. export privileges by Order dated May 3, 1988, thereby committing five violations of Section 787.6 of the former Regulations and three violations of Section 787A.6 of the former Regulations, for a total of eight violations;

WHEREAS, Prime has received notice of issuance of the Charging Letter pursuant Section 766.3(b) of the Regulations;

WHEREAS, Prime has reviewed the Charging Letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against it if the allegations are found to be true; it fully understands the terms of this Settlement Agreement and the appropriate Order; it enters into this Settlement Agreement voluntarily and with full knowledge of its rights, and it states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, Prime neither admits nor denies the allegations contained in the Charging Letter;

WHEREAS, Prime wishes to settle and dispose of all matters alleged in the Charging Letter by entering into this Settlement Agreement; and

WHEREAS, Prime agrees to be bound by an appropriate Order giving effect to the terms of this Settlement Agreement, when entered;

NOW THEREFORE, Prime and BXA agree as follows:

1. BXA has jurisdiction over Prime, under the Act and the Regulations, in connection with the matters alleged in the Charging Letter.

2. BXA and Prime agree that the following sanction shall be imposed against Prime in complete settlement of the alleged violations of the Act and the former Regulations set forth in the Charging Letter:

- a. Prime shall be assessed a civil penalty in the amount of \$40,000, \$33,000 of which shall be paid to the U.S. Department of Commerce within thirty days from the date of entry of the appropriate Order. Payment of the remaining \$7,000 shall be suspended for a period of one year from the date of entry of the appropriate Order and thereafter shall be waived, provided that during the period of suspension, Prime has committed no violation of the Act, or any regulation, order or license issued thereunder; and provided further that Prime has made timely payment of \$33,000 of the civil penalty.
- b. As authorized by Section 1 l(d) of the Act, the timely payment of the civil penalty agreed to in paragraph 2a. is hereby made a condition to the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to Prime. Failure to make timely payment of the civil penalty set forth above shall result in the denial of all of Prime's export privileges for a period of one year from the date of entry of the appropriate Order imposing the civil penalty.

3. Prime agrees that, subject to the approval of this Settlement Agreement pursuant to paragraph 8 hereof, it hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Settlement Agreement or the appropriate Order, when entered), including, without limitation, any right: (a) to an administrative hearing regarding the allegations in the Charging Letter; (b) to request a refund of any civil penalty paid pursuant to this Settlement Agreement and the appropriate Order, when entered; and (c) to seek judicial review or otherwise to contest the validity of this Settlement Agreement or the appropriate Order, when entered.

4. BXA agrees that, upon entry of an appropriate Order, it will not initiate any administrative proceeding against Prime in connection with any violation of the Act or the former Regulations arising out the transactions identified in the Charging Letter.

5. Prime understands that BXA will make the Charging Letter, this Settlement Agreement, and the appropriate Order, when entered, available to the public.

6. BXA and Prime agree that this Settlement Agreement is for settlement purposes only. Therefore, if this Settlement Agreement is not accepted and an appropriate Order is not issued by the Assistant Secretary for Export Enforcement pursuant to Section 766.18(a) of the Regulations, BXA and Prime agree that they may not use this Settlement Agreement in any administrative or judicial proceeding and that the parties shall not be bound by the terms contained in this Settlement Agreement in any subsequent administrative or judicial proceeding.

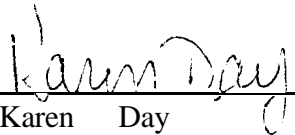
7. No agreement, understanding, representation or interpretation not contained in this Settlement Agreement may be used to vary or otherwise affect the terms of this Settlement

Agreement or the appropriate Order, when entered, nor shall this Settlement Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the United States Government with respect to the facts and circumstances addressed herein.

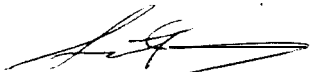
8. This Settlement Agreement shall become binding on BXA only when the Assistant Secretary for Export Enforcement approves it by entering an appropriate Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

BUREAU OF EXPORT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

WORCHEL TRANSPORT, INC., doing
business as PRIME TRANSPORT



Karen Day
Chief Counsel



Sam Fischl
President

Date: 10 October 2000

Date: 8/27/00

JUL 12 2000



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Export Administration
Washington, D.C. 20230

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Worche! Transport, Inc.
doing business as Prime Transport
i 50-40 183rd Street
Springfield Gardens. New York 11413

Mention: *Sam Fischel*
President

Dear Mr. Fischel:

The Office of Export Enforcement, Bureau of Export Administration, United States Department of Commerce (BXA), hereby charges that, as described in detail below, Worchel Transport Inc., doing business as Prime Transport (hereinafter Prime Transport), has violated the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (1999)) (the Regulations),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 1999)) (the Act).²

Facts constituting violations:

Charges 1 - 8

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on eight separate occasions between on or about April 13, 1995, and on or about September 25, 1996, Prime Transport shipped U.S. origin commodities, *to wit*, perfume, clothing, and silicone sealant, items that are subject to the Regulations, to Cosmotrans AG in Switzerland, a person denied all U.S. export privileges by Order dated May 3, 1988. *See* 53 *Fed. Reg.* 16441, May 9, 1988. Prime Transport's involvement in these transactions was contra? to the terms of the May 3, 1988 Order denying Cosmotrans AG all U.S. export privileges. BXA alleges that, by forwarding U.S. origin

¹ The violations at issue occurred in 1995 and 1996. The Regulations governing the violations at issue are found in the 1995 and 1996 versions of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995) and 15 C.F.R. Parts 768-799 (1996), as amended (61 *Fed. Reg.* 12714, March 25, 1996)) (hereinafter the "former Regulations"). The March 25, 1996 *Federal Register* publication redesignated, but did not republish, the then-existing Regulations as 15 C.F.R. Parts 768X-799A. In addition, the March 25, 1996 *Federal Register* publication restructured and reorganized the Regulations, designating them as an interim rule at 15 C.F.R. Parts 730-774, effective April 34, 1996. The former Regulations define the various violations that BXA alleges occurred; the Regulations establish the procedures that apply to this matter.

² The Act expired on August 20, 1994. Executive Order 13924 (3 C.F.R., 1994 Comp. 917 (1995)), extended by Presidential Notices of August 15, 1995 (3 C.F.R., 1995 Comp. 501 (1996)), August 14, 1996 (3 C.F.R., 1996 Comp. 298 (1997)), August 13, 1997 (3 C.F.R., 1997 Comp. 306 (1998)), August 13, 1998 (3 C.F.R., 1998 Comp. 394 (1999)) and August 10, 1999 (64 *Fed. Reg.* 441010, August 13, 1999), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & Supp. 1999)).



commodities from the United States to Cosmotrans AG in violation of or contrary to any provision of the Act or any regulation, order or license issued thereunder, Prime Transport committed five violations of Section 757.6 and three violations of 787A.6 of the former Regulations, for a total of eight violations.

Accordingly, Prime Transport is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

The maximum civil penalty allowed by law of \$10,000 per violation (see Section 764.3(a)(1) of the Regulations);

Denial of export privileges (see Section 764.3(a)(2) of the Regulations); and/or

Exclusion from practice before BXA (see Section 764.3(a)(3) of the Regulations)

Copies of relevant Parts of the Regulations are enclosed.

If Prime Transport fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter as provided in Section 766.6 of the Regulations, that failure will be treated as a default under Section 766.7 of the Regulations.

Prime Transport is further notified that it is entitled to an agency hearing on the record as provided by Section 13(c) of the Act and Section 766.6 of the Regulations, if a written demand for one is filed with its answer, to be represented by counsel, and to seek a consent settlement.

Pursuant to an Interagency Agreement between BXA and the U.S. Coast Guard, the U.S. Coast Guard is providing administrative law judge services, to the extent that such services are required under the Regulations, in connection with the matters set forth in this letter. Accordingly, Prime Transport's answer should be filed with the U.S. Coast Guard ALJ Docketing Center, 40 S. Gay Street, Baltimore, Maryland 21202-4022, in accordance with the instructions in Section 766.5(a) of the Regulations. In addition, a copy of Prime Transport's answer should be served on BXA at the address set forth in Section 766.5(b), adding "ATTENTION: Melissa B. Mannino, Esq." below the address. Ms. Mannino may be contacted by telephone at (202) 482-5304.

Sincerely,



Mark D. Menefee
Director
Office of Export Enforcement

Enclosures

SCHEDULE A
WORCHIE, TRANSPORT INC. DOING BUSINESS AS PRIME TRANSPORT

<i>Charge</i>	<i>Date</i>	<i>Commodity</i>	<i>Prime Invoice No.</i>	<i>Air Waybill No.</i>	<i>Destination</i>	<i>Violation</i>
1	4/13/95	Clothing	108540	001-20497551	Switzerland	787.6
2	8/31/95	Perfume	180733	001-20497610	Switzerland	787.6
3	11/22/95	Perfume	180810	001-20497621	Belgium	787.6
4	1/19/96	Perfume	180862	001-20497643	Switzerland	787.6
5	2/22/96	Perfume	180923	001-20497665	Switzerland	787.6
6	7/5/96	Silicone Sealant	181101	016-73750821	Switzerland	787A.6
7	8/23/96	Perfume	181156	001-20497761	Turks/Caicos	787A.6
8	9/25/96	Perfume	181205	001-20497783	Switzerland	787A.6